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UNITED STATES DISTRICT COURT
NORTHERN DISTRICT OF CALIFORNIA

DENISE WOODS and
SHERRY TAPIA,
For Themselves,
As Private Attorneys General, and
On Behalf Of All Others Similarly Situated,

Plaintiffs,

v.

SIRIUS XM RADIO INC.,

Defendant.

Case No. 3:24-cv-3799

CLASS ACTION

COMPLAINT FOR:

- (1) VIOLATION OF CAL. CIVIL CODE
§ 1750 *et seq.*;**
- (2) VIOLATION OF CAL. BUSINESS &
PROFESSIONS CODE § 17500 *et seq.*;**
- (3) VIOLATION OF CAL. BUSINESS &
PROFESSIONS CODE § 17200 *et seq.***

JURY TRIAL DEMANDED

1 Plaintiffs Denise Woods and Sherry Tapia, individually, as private attorneys general,
2 and on behalf of all others similarly situated, allege as follows, on personal knowledge and
3 investigation of their counsel, against Defendant Sirius XM Radio Inc. (“Sirius XM” or
4 “Defendant”):

5 **I. INTRODUCTION AND SUMMARY**

6 1. Plaintiffs Denise Woods and Sherry Tapia bring this action under California law
7 on behalf of a class of California Sirius XM subscribers to challenge a deceptive pricing
8 scheme whereby Sirius XM falsely advertises its music plans at lower prices than it actually
9 charges. Sirius XM fails to include in its advertised prices the amount of its invented “U.S.
10 Music Royalty Fee,” which increases the true plan price by 21.4% above the advertised price
11 for the plans.¹

12 2. Sirius XM intentionally does not disclose the Fee to its subscribers. Sirius XM
13 even goes so far as to not mention the words “U.S. Music Royalty Fee” in any of its
14 advertising, including in the fine print. Sirius XM’s sole advertising disclaimer is that “Fees
15 and taxes apply”—but in reality zero taxes and zero other fees apply to its California
16 subscribers, such that the undisclosed U.S. Music Royalty Fee is the sole and exclusive
17 component of “Fees and Taxes.”

18 3. Once consumers have been lured to sign up, Sirius XM prevents them from
19 learning about its scheme by never thereafter sending them monthly or ongoing billing notices
20 or invoices. All the while, Sirius XM silently and automatically renews their subscriptions
21 month after month and year after year. And, as the price of its subscribers’ music plans
22 increase—e.g., when a promotional rate expires—the U.S. Music Royalty Fee amount, being a
23 flat 21.4% charge, also increases.

24 4. Notably, none of Sirius XM’s competitors charge any separate royalty fee over
25 and above their advertised music plan prices. Sirius XM knows that reasonable consumers

26
27 ¹ The rate for the U.S. Music Royalty Fee is 21.4% for Sirius XM’s satellite radio music plans
28 (which comprise the overwhelming majority of Sirius XM subscriptions), and 8.8% for Sirius
XM’s streaming-only music plans (which are internet-only and do not require a satellite radio,
and which comprise a tiny minority of Sirius XM subscriptions).

1 would not expect Sirius XM to charge the U.S. Music Royalty Fee, let alone disguise it as
2 “Fees and Taxes.” Rather, reasonable consumers would expect that the advertised price for
3 Sirius XM’s music plans would include the fundamental costs of obtaining the permissions
4 necessary to provide the music content that Sirius XM has promised is included in those plans.
5 The U.S. Music Royalty Fee is, in fact, simply a disguised double-charge for the music plan
6 itself.

7 5. Even the name of the U.S. Music Royalty Fee is deceptive. Sirius XM calls it a
8 “U.S.” fee to falsely indicate to consumers (i.e., to those few consumers who learn about its
9 existence) that it is a government-related fee.

10 6. In the event that a subscriber happens to notice the U.S. Music Royalty Fee has
11 been charged and then contacts Sirius XM to inquire about the Fee, Sirius XM has a practice of
12 outright falsely telling the subscriber that it is “government mandated” or is a government pass-
13 through fee.

14 7. Sirius XM’s U.S. Music Royalty Fee scheme has been the source of all of Sirius
15 XM’s profits for the past several years. For example, in 2023, Sirius XM collected \$1.36 billion
16 in U.S. Music Royalty Fee charges, while the entire company had net profits of \$1.26 billion.
17 In other words, in 2023, U.S. Music Royalty Fee revenues were equal to 108% of the net
18 profits for the entire company.²

19 8. Sirius XM falsely advertised the prices of its music plans to Plaintiffs and Class
20 members, and Sirius XM never adequately disclosed to them that the U.S. Music Royalty Fee
21 would be charged or its true nature. Meanwhile, Sirius XM’s sign-up process, automatic
22 renewal process, and policy of not sending monthly or ongoing billing notices or invoices are
23 deliberately designed to prevent subscribers from learning of the U.S. Music Royalty Fee.

24 9. Sirius XM automatically charges the U.S. Music Royalty Fee to nearly all of its
25

26 ² In 2023, Sirius XM had subscriber revenues from its SiriusXM-branded service of \$6.34
27 billion, approximately 21.4% of which (i.e., \$1.36 billion) were payments of the U.S. Music
28 Royalty Fee. See 2023 10-K of Sirius XM Holdings Inc., pp. F-5, F-39, available at
<https://investor.siriusxm.com/sec-filings/all-sec-filings/content/0000908937-24-000008/0000908937-24-000008.pdf>.

1 3.97 million California subscribers (the Fee currently accounts for over \$158 million in annual
2 charges to California subscribers alone).³ Since Sirius XM invented and introduced the Fee in
3 2009, Plaintiffs estimate that Sirius XM has unlawfully extracted over \$1 billion from
4 California consumers in U.S. Music Royalty Fee charges.

5 10. Plaintiffs Denise Woods and Sherry Tapia bring this lawsuit individually and as
6 private attorneys general seeking public injunctive relief to protect the general public by putting
7 an end to Sirius XM's unlawful advertising scheme. Plaintiffs also seek damages and/or
8 restitution, on behalf of themselves and on behalf of a Class of California Sirius XM
9 subscribers, including disgorgement of all revenues and/or unjust enrichment Sirius XM
10 obtained from them as a result of the unlawful conduct alleged herein.

11 11. To be clear, Plaintiffs are not seeking to regulate the existence or amount of the
12 U.S. Music Royalty Fee (although Plaintiffs contend that the name of the Fee is deceptive
13 because Sirius XM intentionally calls it a "U.S." fee to trick consumers into thinking it is a
14 government-related fee). Rather, Plaintiffs want Sirius XM to include the amount of the so-
15 called U.S. Music Royalty Fee in the music plan prices it advertises to the general public, and
16 to adequately disclose the Fee and its true nature and basis.

17 **II. THE PARTIES**

18 12. Plaintiff Denise Woods is a citizen and resident of the city of Pinole, in Contra
19 Costa County, California.

20 13. Plaintiff Sherry Tapia is a citizen and resident of the city of Lemon Grove, in
21 San Diego County, California.

22 14. Defendant Sirius XM Radio Inc. ("Sirius XM") is a corporation chartered under
23 the laws of Delaware, with its principal place of business in New York. The company has
24 office and studio/production facilities in Los Angeles, California. The company also has office
25 and engineering facilities in San Francisco, California.

27 ³ Plaintiffs estimate that Sirius XM has approximately 3.97 million music plan subscribers in
28 California, which would comprise 11.71% of Sirius XM's 33.9 million subscribers (California
represents 11.71% of the U.S. population).

1 **III. JURISDICTION AND VENUE**

2 15. **Subject Matter Jurisdiction.** This Court has original jurisdiction over this
3 action pursuant to 28 U.S.C. § 1332(d)(2) because the amount in controversy, exclusive of
4 interest and costs, exceeds \$5,000,000, and this is a proposed class action in which there are
5 members of the proposed Class who are citizens of a state different from the Defendant.

6 16. **Personal Jurisdiction.** This Court has personal jurisdiction over Sirius XM
7 because, without limitation: (1) Sirius XM is authorized to do business and regularly conducts
8 business in the California; (2) the claims alleged herein took place in California; and/or
9 (3) Sirius XM has committed tortious acts within California (as alleged, without limitation,
10 throughout this Complaint). Sirius XM has sufficient minimum contacts with California to
11 render the exercise of jurisdiction by this Court permissible.

12 17. **Venue.** Venue is proper pursuant to 28 U.S.C. §1391 because Plaintiff Denise
13 Woods is a California citizen who resides in this District (specifically, in Contra Costa County).
14 Ms. Woods also purchased her Sirius XM music plan in this District.

15 **IV. FACTUAL ALLEGATIONS OF SIRIUS XM'S DECEPTIVE PRICING**
16 **SCHEME**

17 18. Defendant provides Sirius XM-branded satellite radio and internet-only
18 streaming plans to approximately 33.9 million consumers nationwide⁴, including approximately
19 3.97 million Californians. Nearly all of the service plans offered by Sirius XM include music
20 channels ("music plans").

21 19. Sirius XM falsely advertises its music plans at lower rates than it actually
22 charges by not including in the advertised price the amount of its invented "U.S. Music Royalty
23 Fee." Sirius XM intentionally does not disclose the extra charge. Sirius XM even goes so far as
24 to not mention the words "U.S. Music Royalty Fee" in any of its advertising, including in the
25 fine print. Once consumers have been lured to sign up, Sirius XM prevents them from learning
26

27 ⁴ See 2023 10-K of Sirius XM Holdings Inc., p. 5, available at
28 <https://investor.siriusxm.com/sec-filings/all-sec-filings/content/0000908937-24-000008/0000908937-24-000008.pdf>.

1 about its scheme by never thereafter sending them monthly or ongoing billing notices or
2 invoices. All the while, Sirius silently and automatically renews their subscriptions month after
3 month and year after year.

4 20. Sirius XM imposes the U.S. Music Royalty Fee on all subscribers of its satellite
5 radio music plans (satellite radio subscribers comprise the overwhelming majority of Sirius XM
6 subscribers), at a rate of 21.4% on top of the advertised and promised price of the music plan.
7 Sirius XM also imposes the U.S. Music Royalty Fee on the relatively few subscribers of its
8 Sirius XM-branded internet-only streaming music plans (which do not require a satellite radio),
9 at a rate of 8.8% on top of the advertised and promised price of the music plan.⁵

10 21. The overwhelming majority of Sirius XM subscribers utilize Sirius XM's
11 services in their automobiles. There are approximately 160 million vehicles in operation with
12 Sirius XM radios.⁶ Sirius XM's satellite radios are pre-installed in 84% of the over 13 million
13 new automobiles sold each year in the United States.⁷ All of the 13 million-plus annual buyers
14 of new vehicles are automatically provided a free two- to six-month trial of Sirius XM service.
15 Sirius XM's satellite radios are also already installed in 51% of the 36 million used
16 automobiles sold each year.⁸ Many of the buyers of these used vehicles are likewise
17 automatically enrolled in free Sirius XM trials.

18
19
20 ⁵ The only Sirius XM internet-only streaming music plan subscribers who are not charged the
21 U.S. Music Royalty Fee are streaming music subscribers who are signed up and billed through
22 the Apple App Store or Google Play Store platforms.

23 ⁶ See 2023 10-K of Sirius XM Holdings Inc., p. 5, available at
24 <https://investor.siriusxm.com/sec-filings/all-sec-filings/content/0000908937-24-000008/0000908937-24-000008.pdf>.

25 ⁷ See "Car Market Puts Sirius XM's 2022 Growth Plans Into The Slow Lane,"
26 InsideRadio.com, July 28, 2022, available at https://www.insideradio.com/free/car-market-puts-Sirius-XM-s-2022-growth-plans-into-the-slow-lane/article_c577b85c-0ea6-11ed-a4f3-6316ccfafd88.html#:~:text=Its%20receivers%20are%20now%20installed,satellite%20radio%20don't%20bother.

27 ⁸ *Id.* See also report on used vehicle market based on data from Cox Automotive, at
28 <https://www.autonews.com/used-cars/used-car-volume-hits-lowest-mark-nearly-decade#:~:text=The%20number%20of%20used%20cars,about%2035.8%20million%20were%20sold.>

1 22. Sirius XM’s business model relies on converting these millions of vehicle
2 buyers from free trial users into paid subscribers of automatically renewing music plans.

3 23. This effort begins with a revenue-sharing arrangement with the leading
4 automakers: Sirius XM pays over \$1 billion a year in subsidies and revenue splits to the
5 automakers.⁹ Pursuant to this revenue sharing arrangement, automotive dealerships submit the
6 contact information of their recent car buyers directly to Sirius XM’s marketing department.
7 The automakers and auto dealers then get a cut of the Sirius XM subscription revenue that
8 results.

9 24. After receiving the contact information of the vehicle buyers, Sirius XM
10 proceeds to inundate them with marketing emails, direct mailers, and telemarketing calls in an
11 attempt to get the consumers to provide their credit or debit card information to Sirius XM so
12 that Sirius XM can sign them up for paid—and automatically renewing—music plan
13 subscriptions.

14 **A. The U.S. Music Royalty Fee.**

15 25. The U.S. Music Royalty Fee is an additional flat charge that Sirius XM collects
16 from its music plan subscribers over and above the advertised and promised prices of its music
17 plans. The overwhelming majority of Sirius XM customers subscribe to its satellite radio music
18 plans (which require a satellite radio, and are typically attached to a particular vehicle equipped
19 with a Sirius XM satellite radio). Sirius XM charges its satellite radio music plan subscribers a
20 21.4% U.S. Music Royalty Fee on top of the advertised and promised price of the music plan.

21 26. In 2019, Sirius XM introduced a separate streaming-only music plan option,
22 which worked over the internet and did not utilize or require a satellite radio. A very tiny
23 minority of Sirius XM customers subscribe to such an internet streaming-only music plan.
24
25

26 ⁹ For example, in 2016, Sirius XM paid about \$1 billion a year in subsidies and revenue splits
27 to automakers. See Sisario, Ben, “Sirius XM Fights to Dominate the Dashboard of the
28 Connected Car,” New York Times, February 20, 2016 (behind pay wall at
[https://www.nytimes.com/2016/02/21/business/media/Sirius-XM-fights-to-dominate-the-
dashboard-of-the-connected-car.html](https://www.nytimes.com/2016/02/21/business/media/Sirius-XM-fights-to-dominate-the-dashboard-of-the-connected-car.html)).

1 Sirius XM charges its (few) internet streaming-only music plan subscribers an 8.8% U.S. Music
2 Royalty Fee on top of the advertised and promised price of the streaming music plan.

3 27. Sirius XM invented and first added the U.S. Music Royalty Fee to its music
4 plans in 2009, at a 13.9% flat rate charge. Since then Sirius XM has increased the Fee to the
5 current 21.4% rate.

6 28. Sirius XM's U.S. Music Royalty Fee scheme has been the source of all of Sirius
7 XM's profits for the past several years. For example, in 2023, Sirius XM collected \$1.36 billion
8 in U.S. Music Royalty Fee charges, while the entire company had net profits of \$1.26 billion.
9 In other words, in 2023, U.S. Music Royalty Fee revenues were equal to 108% of the net
10 profits for the entire company.¹⁰

11 29. The U.S. Music Royalty Fee scheme is at the heart of Sirius XM's marketing
12 plan. The scheme enables Sirius XM to falsely advertise its music plans at much lower prices
13 than what Sirius XM actually charges, in order to lure as many consumers as possible into
14 signing up for automatically renewing subscriptions and paying more than they otherwise
15 would have paid.

16 30. Meanwhile, Sirius XM is alone in charging such a fee. None of Sirius XM's
17 major music streaming competitors (for example, Apple Music, Spotify, Amazon Music,
18 Google Play Music) charge any such separate music royalty fee over and above their advertised
19 music plan prices. Reasonable consumers would not expect Sirius XM to charge such a fee, let
20 alone hide it as "Fees and Taxes." Rather, reasonable consumers would expect that the
21 advertised price for Sirius XM's music plans would include the fundamental cost of obtaining
22 the permissions necessary to provide the music content that Sirius XM has promised is included
23 in those plans. The U.S. Music Royalty Fee is, in fact, simply a disguised double-charge for the
24 music plan itself.

25
26 ¹⁰ In 2023, Sirius XM had subscriber revenues from its Sirius XM-branded service of \$6.34
27 billion, approximately 21.4% of which (i.e., \$1.36 billion) were payments of the U.S. Music
28 Royalty Fee. See 2023 10-K of Sirius XM Holdings Inc., pp. F-5, F-39, available at
<https://investor.siriusxm.com/sec-filings/all-sec-filings/content/0000908937-24-000008/0000908937-24-000008.pdf>.

1 31. Sirius XM automatically charges the U.S. Music Royalty Fee to nearly all of its
2 3.97 million California subscribers (the Fee currently accounts for over \$158 million in annual
3 charges to California subscribers alone). Since Sirius XM invented and introduced the Fee in
4 2009, Plaintiffs estimate that Sirius XM has unlawfully extracted over \$1 billion from
5 California consumers in U.S. Music Royalty Fee charges.

6 **B. Sirius XM Misrepresents the Price of Its Music Plans in Its**
7 **Advertisements and Fails to Disclose the U.S. Music Royalty Fee.**

8 32. Sirius XM advertises its satellite radio and streaming music plans through
9 marketing directed at the consuming public in California and throughout the United States via
10 email campaigns, direct mail campaigns, telemarketing campaigns, internet advertising,
11 television advertising, and radio advertising. Meanwhile, the tens of millions of automobiles
12 which are equipped with a Sirius XM satellite radio, but which do not have an active trial or a
13 current paid subscription, will constantly prompt the consumer to subscribe to Sirius XM
14 anytime the consumer switches the car audio system to the Sirius XM radio setting.

15 33. Through all of these channels, Sirius XM prominently and misleadingly
16 advertises particular flat monthly or periodic prices for its music plans, without disclosing or
17 including the amount of the U.S. Music Royalty Fee in the advertised price.

18 34. None of Sirius XM's advertisements states the true music plan price after adding
19 the amount of the U.S. Music Royalty Fee. None of Sirius XM's advertisements names or
20 mentions the existence of the U.S. Music Royalty Fee or its amount—not even in the fine print.
21 And there is no asterisk adjacent to the (deceptively low) advertised price in any of Sirius XM's
22 advertisements or materials.

23 35. Meanwhile, none of Sirius XM's competitors charge any separate royalty fee
24 over and above the advertised music plan price. Sirius XM knows that reasonable consumers
25 would not expect Sirius XM to charge the U.S. Music Royalty Fee. Sirius XM knows that
26 reasonable consumers would expect that the advertised price for Sirius XM's music plans
27 would include the fundamental costs of obtaining the permissions necessary to provide the
28

music content that Sirius XM has promised is included in those plans. The U.S. Music Royalty Fee is, in fact, simply a disguised double-charge for the music plan itself.

36. **Example Promotional Mailer.** Below is an example of a marketing direct mailer sent by Sirius XM in December 2022 to a consumer who was in a Sirius XM free trial that automatically came with a new vehicle:

Sirius XM Promotional Mailer to Consumer in Free Trial With New Vehicle

The image is a promotional mailer from Sirius XM. At the top left is the SiriusXM logo. To the right, in large blue letters, is the text "ACT NOW BEFORE YOUR TRIAL ENDS." Below this, it says "Get 12 Months for \$5/Month with the Music & Entertainment Plan. Subscribe at siriusxm.com/MySXM5 or call 1-866-816-4423". A trial end date of "12/11/22" is prominently displayed. On the left, there is a circular graphic with "\$5/month FOR YOUR FIRST 12 MOS." and "SAVE 72%". Below this, it says "Turn over to see our channel lineup." and "NO CANCELLATION FEES | CANCEL ANYTIME". At the bottom, there are three ways to subscribe: "ACT NOW: You have 3 fast and easy ways to subscribe." followed by "ONLINE siriusxm.com/MySXM5", "PHONE 1-866-816-4423", and "SCAN with your phone's camera" with a QR code. A small text block at the bottom provides "OFFER DETAILS" and legal disclaimers.

SiriusXM

**ACT NOW
BEFORE YOUR
TRIAL ENDS.**

Get 12 Months for \$5/Month
with the Music & Entertainment Plan.
Subscribe at siriusxm.com/MySXM5
or call 1-866-816-4423

Trial end date:
12/11/22

Radio ID (ESN): [REDACTED]
Account #: [REDACTED]

The SiriusXM trial that came with your [REDACTED] will expire on **December 11, 2022**. But with this great offer on our most popular plan, you can keep listening to the variety you want without interruption.

\$5/month
FOR YOUR FIRST 12 MOS.
Fees and taxes apply.
See Offer Details below.

SAVE 72%

Turn over to see our channel lineup.

NO CANCELLATION FEES | CANCEL ANYTIME

ACT NOW:
You have 3 fast and easy ways to subscribe.

ONLINE
siriusxm.com/MySXM5

PHONE
1-866-816-4423

SCAN
with your phone's camera

If you've already contacted us to subscribe, thank you! Please disregard this letter.

OFFER DETAILS: Activate a Music & Entertainment subscription plan and pay \$4.99/month for your first 12 months, plus get free activation (an additional \$15 value). Fees and taxes apply. A credit card is required on this offer. Service will automatically renew thereafter every month and you will be charged at then-current rates (currently, \$17.99/month). Please see our Customer Agreement at www.siriusxm.com for complete terms and how to cancel, which includes online methods or calling us at 1-866-635-2349. All fees, content and features are subject to change. This offer cannot be combined with any other and may be modified or terminated at any time. Offer is good only on qualifying ESN/Device IDs as determined solely by SiriusXM. Channel lineup varies by package.

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SXM-CRM-LH-PRE4-512-PL-10-22 SXM_NEW_PRE4_SC OEM_GEN_PRE4_512-PL-1

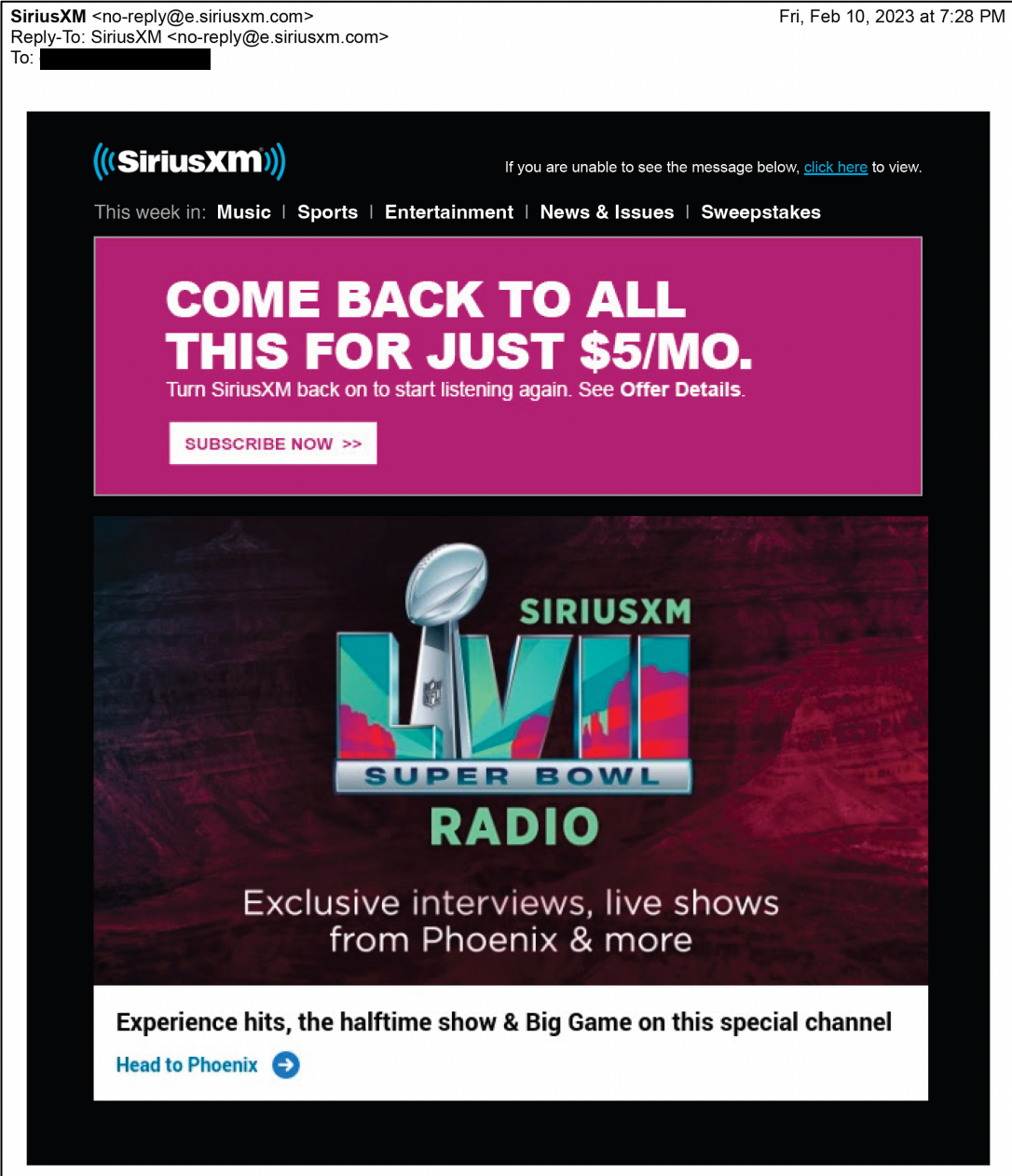
1 37. The above mailer is a typical example of the millions of promotional mailers
2 that Sirius XM sends to new vehicle purchasers each year. Notably, the top right of the ad
3 features “Get 12 Months for \$5/Month,” but makes no mention of the U.S. Music Royalty Fee
4 or the extra 21.4% (i.e., the extra \$1.07) that the plan actually costs due to the Fee. There is no
5 asterisk next to the advertised price. Nowhere in the entire mailer—not even in the fine print at
6 the bottom—is there any mention whatsoever of the U.S. Music Royalty Fee or its amount. The
7 only disclosure language in the entire mailer is the phrase “Fees and taxes apply,” which is in
8 small print in the circle on the left of the ad, where it also says, “See Offer Details below.”

9 38. But the “Offer Details” (which can be found in the fine print at the bottom of the
10 mailer) likewise only states the same phrase “Fees and taxes apply,” with no further details. It
11 does not mention the U.S. Music Royalty Fee by name or what the additional “Fees and taxes”
12 are or their amounts. The “Offer Details” fine print states that the plan will renew after the 12-
13 month promotion “at then-current rates (currently, \$17.99)”—but again does not disclose that
14 the actual rate the plan will be renewed at is 21.4% higher (at a true rate of \$21.84) due to the
15 U.S. Music Royalty Fee. Nor does the mailer mention that, as the music plan rate increases
16 from \$5 to \$17.99, the (undisclosed) Fee will more than triple from \$1.07 to \$3.85.¹¹

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24 ¹¹ The intentional nature of Sirius XM’s misrepresentations and omissions are further
25 evidenced by the fact that while the United States company Sirius XM Radio Inc. (the
26 Defendant) made the decision to completely avoid mentioning the name of the U.S. Music
27 Royalty Fee or its amount in any of its advertising, the company’s Canadian sister company,
28 Sirius XM Canada Inc., chose a different, more honest approach. Sirius XM Canada Inc.
(unlike Defendant) discloses both the name of the fee (which in Canada is called the “Music
Royalty and Administrative Fee”) and its percentage amount in the “Offer Details” fine print of
its otherwise identical ads.

39. **Example Marketing Email.** Below is an example of a marketing email sent by Sirius XM in February 2023 to a consumer whose free Sirius XM trial elapsed (the free trial came with the purchase of a new vehicle):

Sirius XM Promotional Email to Consumer Whose Free Trial Elapsed



40. The above email is a typical example of the emails Sirius XM sends to purchasers of new automobiles whose automatic free trials have elapsed or are soon expiring. Notably, the email states the price is “JUST \$5/MO,” but makes no mention of the U.S. Music Royalty Fee or the extra 21.4% (i.e., the extra \$1.07) that the plan actually costs due to the Fee.

1 There is no asterisk next to the advertised price, and in fact nowhere in the entire email—not
2 even in the fine print at the bottom—is there any mention whatsoever of the U.S. Music
3 Royalty Fee or its amount. There is a phrase “See Offer Details,” but there is no “Offer Details”
4 section in the email. It turns out that the white “Offer Details” text is a non-obvious hyperlink
5 (with no hyperlink indicators). If the consumer figured out to click on the “Offer Details” text
6 on the email, the consumer would be brought to the webpage below:

The screenshot displays the SiriusXM website interface. At the top, the SiriusXM logo is visible. Below it, a section titled "Your Vehicle: 2023" is partially obscured by a black redaction box. The main promotional area features the text "SiriusXM Music & Entertainment" followed by "\$5/mo for 12 months" in large, bold, pink font. Below this, smaller text states "Then \$18.99/mo. Fees & taxes apply. See Offer Details below." A section titled "SiriusXM Music & Entertainment Includes:" lists five benefits with checkmark icons: "400+ channels, including 155+ in your car, plus even more to stream on your devices", "Ad-free music for every genre & decade plus artist-created channels", "Original talk, podcasts, exclusive comedy & news from every angle", "NHL* play-by-play, NASCAR*, plus the biggest names in sports talk", and "SiriusXM video library of in-studio shows & performances". A "Hide ^" link is located below the list. A large blue button labeled "CONTINUE" is positioned below the promotional area. At the bottom, a section titled "OFFER DETAILS:" provides comprehensive information about the offer, including activation requirements, pricing, and renewal terms. It states: "OFFER DETAILS: Activate a Music & Entertainment subscription and pay \$4.99/month for your first 12 months, plus get free activation (a \$15 savings). Fees and taxes apply. A credit card is required on this offer. Service will automatically renew thereafter every month and you will be charged at then-current rates (currently, \$18.99/month). Please see our Customer Agreement at www.siriusxm.com for complete terms and how to cancel, which includes using our online chat feature or calling us at 1-866-635-2349. All fees, content and features are subject to change. This offer cannot be combined with any other and may be modified or terminated at any time. Offer good only on currently inactive radios. Channel lineup varies by package." At the very bottom, there are links for "Website Terms", "Customer Agreement", "Privacy Policy", and "Return Policy", along with a copyright notice "© 2023 Sirius XM Radio Inc." and a "Your Privacy Choices" link with a checkmark icon.

(((SiriusXM)))

Your Vehicle: 2023 [REDACTED]

SiriusXM Music & Entertainment
\$5/mo for 12 months
Then \$18.99/mo. Fees & taxes apply. See **Offer Details** below.
SiriusXM Music & Entertainment Includes:

- ✓ **400+ channels**, including 155+ in your car, plus even more to stream on your devices
- ✓ **Ad-free music** for every genre & decade plus artist-created channels
- ✓ **Original talk**, podcasts, exclusive comedy & news from every angle
- ✓ **NHL* play-by-play**, NASCAR*, plus the biggest names in sports talk
- ✓ **SiriusXM video library** of in-studio shows & performances

Hide ^

CONTINUE

OFFER DETAILS: Activate a Music & Entertainment subscription and pay \$4.99/month for your first 12 months, plus get free activation (a \$15 savings). Fees and taxes apply. A credit card is required on this offer. **Service will automatically renew** thereafter every month and you will be charged at then-current rates (currently, \$18.99/month). Please see our [Customer Agreement](#) at www.siriusxm.com for complete terms and how to cancel, which includes using our online chat feature or calling us at 1-866-635-2349. All fees, content and features are subject to change. This offer cannot be combined with any other and may be modified or terminated at any time. Offer good only on currently inactive radios. Channel lineup varies by package.

Website Terms | Customer Agreement | Privacy Policy | Return Policy © 2023 Sirius XM Radio Inc.
Your Privacy Choices | Your Ad Choices | FCC Public File | FCC Info

1 41. This offer/disclaimer webpage features “\$5/mo for 12 months,” but makes no
2 mention of the U.S. Music Royalty Fee or the extra 21.4% (i.e., the extra \$1.07) which the plan
3 actually costs due to the Fee. Below the prominent text “\$5/mo for 12 months,” smaller text
4 reads “Then \$18.99/mo. Fees & taxes apply. See **Offer Details** below.”

5 42. But the fine print “Offer Details” at the bottom of the webpage states only the
6 same phrase “Fees and Taxes apply,” with no further details. It does not mention the U.S.
7 Music Royalty Fee by name or what the additional “Fees and Taxes” are or their amounts. It
8 also fails to mention that the renewal rate will not be the promised “\$18.99/mo.” but rather will
9 be 21.4% higher—where the undisclosed Fee will increase nearly four-fold to \$4.06—for an
10 actual total of \$23.05 per month.

11 **C. Sirius XM Fails to Disclose the U.S. Music Royalty Fee to Consumers**
12 **When They Sign Up on Its Website.**

13 43. For years, Sirius XM’s consumer website has advertised its music plans by
14 featuring particular flat monthly or periodic prices for the plans, without disclosing or including
15 the amount of the U.S. Music Royalty Fee in the advertised price.

44. For example, in May 2023, Sirius XM’s website listed the following music plans (on the “Browse Plans and Pricing” webpage).

Music Plans Offered on the Sirius XM Website

The screenshot shows the Sirius XM website's 'Popular Plans' section. At the top, there's a navigation bar with the Sirius XM logo and a search icon. Below the header, a purple banner reads 'Popular Plans' with the tagline 'Enjoy the variety you're looking for, where and how you want to listen.' Below this, there are two radio buttons: 'Car Radio + Streaming Devices' (selected) and 'Streaming Devices Only'. The main content is a table with three columns for different plans: Platinum, Music & Entertainment, and Music Showcase. Each plan has a 3-month promotional price of \$1, followed by a higher monthly rate. The table lists various features and content available to subscribers, such as the number of channels, ad-free music, news, and podcasts. At the bottom of the table, there are 'GET' buttons for each plan.

	Platinum	Music & Entertainment	Music Showcase
Introductory Pricing Plus fees and taxes See Offer Details below	3 mos. for \$1 then \$23.99/mo	3 mos. for \$1 then \$18.99/mo	3 mos. for \$1 then \$13.99/mo
Channels Included	425+ total	400+ total	100+ total
Ad-free Music	✓	✓	SOME
News & Issues	✓	✓	SOME
Talk & Entertainment	✓	SOME	SOME
Comedy	✓	✓	
Sports	✓	SOME	
Howard Stern Channels & Video	✓		
Personalized Pandora Stations	✓		
Original & Popular Podcasts Series	✓	✓	
Access to Stitcher Premium Podcasts	✓		
Exclusive SXM in-studio Video	✓	SOME	SOME
Cancel Anytime	GET	GET	GET

45. All of these options (including both the 3-month promotional \$1 price, and the stated higher prices after the 3 months) are presented as having a flat rate. The prices exclude the additional 21.4% charge for the U.S. Music Royalty Fee. The prices do not have asterisks and the only disclosure language is on the left side, where smaller print says, “Plus fees and taxes [See Offer Details Below](#).” But the “Offer Details” at the bottom of the webpage (which follows a section of “Frequently Asked Questions” that likewise makes no mention of the Fee), states only the same phrase “Fees and taxes apply.” It does not mention the U.S. Music Royalty

1 Fee by name or what the additional “Fees and taxes” are or their amounts.


2 46. If the consumer clicks on the blue “GET” button for the respective music plan,
3 the consumer is taken through Sirius XM’s online purchase process. Each page of the purchase
4 process features “\$1 for 3 months” on the top, and smaller text stating the higher price after the
5 3 months (e.g., “Then 23.99/mo.”).


47. Below is the final page of the online purchase process (i.e., the order submission page) for the Platinum music plan. This final page is the only page of the entire online purchase process which lists a specific additional amount for “Fees and Taxes.”


Get 3 months of SiriusXM

Vehicle: 2023 Radio ID: (****)

SiriusXM Platinum
\$1 for 3 months
Then \$23.99/mo. Fees and taxes apply. See [Offer Details](#).


Inside the Car


On the SXM App


Custom Stations

Explore plan details ▼

Let's verify car radio Edit

2023
No Active Service
Closed: 12/11/2022

Your billing information Edit

STEP 3 OF 3

Review and complete your order

Order Summary

SiriusXM Platinum
3 Months for \$0.33/mo
\$1.00

Fees and Taxes
\$0.21
[Details](#) ▼

Total - Due Now
\$1.21

Your estimated recurring monthly subscription charge will be \$29.12 starting on 07/04/2023. Remember, you can change or cancel at any time.

SiriusXM Platinum
Monthly Plan
\$23.99

Fees and Taxes
\$5.13
[Details](#) ▼

Total Due - 07/04/2023
\$29.12

Details ^

☐ Please charge my credit card for the amount due now and recurring charges as outlined above. By clicking "Complete My Order", I agree that my service will **AUTOMATICALLY RENEW** and will be charged to my payment method at then-current rates at the time of each renewal, plus fees and taxes, until I cancel. I agree to the SiriusXM [Customer Agreement](#) and [Privacy Policy](#), including, receiving account notifications at the email address provided, the refund policy and how to cancel, which includes online methods or calling SiriusXM at 1-866-635-2349.
[En Español](#)

COMPLETE MY ORDER

OFFER DETAILS: Activate a Platinum subscription and pay \$1.00 for your first 3 months, a savings of 98% off the current monthly rate of \$23.99, plus get free activation (an additional \$15 savings). A credit card is required on this offer. Fees and taxes apply. Service will automatically renew thereafter every month and you will be charged at then-current rates. Please see our [Customer Agreement](#) for complete terms and how to cancel, which includes calling us at 1-866-635-2349. All fees, content and features are subject to change. This offer cannot be combined with any other and may be modified or terminated at any time.

CLASS ACTION COMPLAINT

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1 48. Under “Order Summary,” Sirius XM shows a price of \$1.00 for 3 months of the
2 music plan (\$0.33/mo), plus “Fees and Taxes” of \$0.21.

3 49. Notably, counsel’s investigation showed that all Sirius XM music plans
4 (including this one) sold in California have \$0.00 in “Taxes.” And the only “Fee” Sirius XM
5 ever charges in California is the undisclosed 21.4% U.S. Music Royalty Fee. Sirius XM
6 disguises the amount of its invented and deceptive U.S. Music Royalty Fee as “Fees and
7 Taxes.” Yet in reality, the U.S. Music Royalty Fee is the sole and exclusive component of the
8 so-called “Fees and Taxes.”

9 50. In this example, the \$0.21 in “Fees and Taxes” is comprised entirely of the
10 unmentioned 21.4% U.S. Music Royalty Fee (i.e., $\$0.21 = 21.4\%$ of the \$1.00 plan price).
11 Similarly, when the promotional rate of “\$1.00 for 3 months” expires and the subscriber’s
12 monthly rate automatically increases to the stated “\$23.99/mo.,” the U.S. Music Royalty Fee
13 comprises the entire amount of the additional “Fees and Taxes” of \$5.13 per month.

14 51. Sirius XM knows and intends that reasonable consumers will understand and
15 assume that the amount listed as “Fees and Taxes” is comprised of legitimate taxes and
16 government-related fees passed on by Sirius XM to its subscribers.

17 52. Sirius XM knows and intends that reasonable consumers would not expect that
18 Sirius XM—unlike every other music streaming service—would invent and charge the so-
19 called “U.S. Music Royalty Fee” over and above the advertised price for the music plan. Sirius
20 XM knows that reasonable consumers would expect that the advertised price for Sirius XM’s
21 music plans would include the fundamental costs of obtaining the permissions necessary to
22 provide the music content that Sirius XM has promised is included in those plans. The U.S.
23 Music Royalty Fee is, in fact, simply a disguised double-charge for the music plan itself.

24 **D. Sirius XM Fails to Disclose the U.S. Music Royalty Fee to Consumers**
25 **When They Sign Up Over the Phone.**

26 53. Likewise, Sirius XM sales and customer service agents have been trained for
27 years, as a matter of company policy, to present consumers with advertised flat monthly or
28 periodic prices for its music plans without disclosing the U.S. Music Royalty Fee. The music

1 plan prices that agents quote to consumers—just like Sirius XM’s advertising—exclude the
2 cost of the U.S. Music Royalty Fee.

3 54. Sirius XM’s U.S. Music Royalty Fee scheme enables Sirius XM to falsely
4 advertise and present its music plans at much lower prices than what Sirius XM actually
5 charges, in order to lure as many consumers as possible into signing up for automatically
6 renewing subscriptions and paying more than they otherwise would have paid.

7 **E. In Order to Prevent Subscribers From Learning of Its Scheme, Sirius XM**
8 **Signs Up Subscribers for Auto-Renewal by Default and Then Never Sends**
9 **Them Monthly or Ongoing Billing Notices or Invoices.**

10 55. Sirius XM’s automatic renewal and billing process are designed to prevent its
11 subscribers from learning of its U.S. Music Royalty Fee scheme. Sirius XM signs up
12 subscribers for automatic renewal by default (most subscribers have monthly plans, but Sirius
13 XM also offers quarterly, semi-annual, and longer plans).

14 56. Once consumers have been lured to sign up, Sirius XM prevents them from
15 learning about its scheme by never thereafter sending them monthly or ongoing billing notices
16 or invoices. All the while, Sirius XM silently and automatically renews their subscriptions
17 month after month and year after year

18 57. Most Sirius XM subscribers sign up for a paid subscription with Sirius XM by
19 providing their credit card or debit card for a multi-month greatly discounted promotional rate.
20 The only evidence of the ongoing monthly (or other subscription term) charges by Sirius XM
21 that a subscriber may find is on his or her bank or credit card billing statement—which only
22 lists a dollar amount and makes no mention of the U.S. Music Royalty Fee.

23 58. It is telling that while Sirius XM intentionally sends zero monthly or ongoing
24 billing notices or invoices to its subscribers, Sirius XM meanwhile makes sure to inundate and
25 benumb these same subscribers with marketing emails nearly every other day (totaling over a
26 dozen each month), such that subscribers come to assume that any emails they receive from
27 Sirius XM are marketing or promotional emails.

28 **F. Sirius XM Continues to Deceive Subscribers After They Sign Up.**

59. Sirius XM continues to deceive subscribers about the true price of its music

1 plans and about the existence and nature of the U.S. Music Royalty Fee, even after they have
2 signed up.

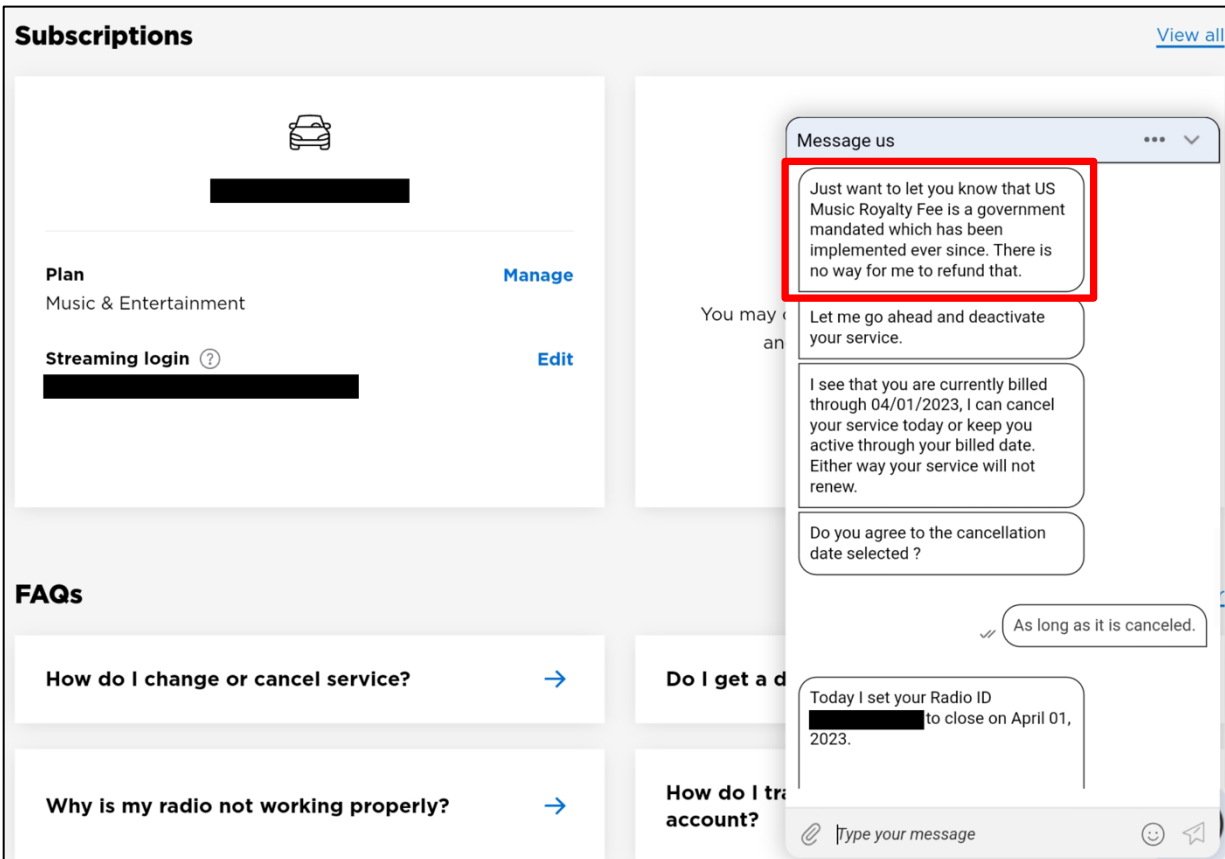
3 60. As discussed above, once consumers have been lured to sign up, Sirius XM
4 prevents them from learning about its scheme by never thereafter sending them monthly or
5 ongoing billing notices or invoices.

6 61. But even if a subscriber discovered the existence of the U.S. Music Royalty Fee,
7 Sirius XM has taken actions and implemented policies to intentionally mislead the subscriber
8 into thinking it is “government mandated” or is a government pass-through fee.

9 62. First, Sirius XM intentionally chose a name for the Fee that suggests it is a
10 government fee. Sirius XM calls it a “U.S.” fee to falsely indicate to consumers (i.e., to those
11 few subscribers who learn about its existence) that it is government mandated or is a
12 government pass-through fee.

13 63. Second, in the event that a subscriber contacts Sirius XM to inquire about the
14 Fee, Sirius XM agents outright falsely tell the subscriber that the Fee is “government
15 mandated” or is a government pass-through fee.

16 64. For example, below is a screenshot of part of an online chat conversation that a
17 subscriber had with Sirius XM on March 10, 2023, where the Sirius XM agent falsely told the
18 subscriber that the U.S. Music Royalty Fee was “government mandated”:
19
20
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65. The chat agent's statement that the U.S. Music Royalty Fee was "government mandated" reflects Sirius XM's policy of falsely telling subscribers who ask about the Fee that it is government mandated or is a government pass-through fee.

V. PLAINTIFFS' FACTUAL ALLEGATIONS

Plaintiff Denise Woods

66. Plaintiff Denise Woods is, and at all relevant times has been, a citizen and resident of the city of Pinole, in Contra Costa County, California.

67. In late 2019, Ms. Woods' husband bought a new car that came with a free Sirius XM music plan trial subscription. After the free trial had ended, Ms. Woods' husband called Sirius XM to learn about Sirius XM's music plans and prices. He ultimately purchased a music plan subscription that was being offered at a promotional price for a one-year service term.

68. At the end of the one-year subscription, Ms. Woods' husband called Sirius XM to ask for another promotional rate for a one-year service term. The agent that he spoke with agreed to give him another promotional rate for a one-year service term.

1 69. In April 2022, Ms. Woods' husband passed away.

2 70. The next time the one-year subscription ended, Ms. Woods called Sirius XM to
3 learn about Sirius XM's music plans and prices. The agent that she spoke with offered her a
4 promotional rate for a one-year service term. The agent quoted her a specific promotional price
5 for the one-year music plan subscription. The quoted and promised price did not include the
6 additional amount of the U.S. Music Royalty Fee. The agent also did not mention the existence
7 of the U.S. Music Royalty Fee.

8 71. Relying on the representations of the Sirius XM agent, Ms. Woods purchased
9 the music plan subscription.

10 72. When this one-year subscription ended, Ms. Woods called Sirius XM again to
11 ask for another promotional rate for a one-year service term. The agent that she spoke with
12 agreed to give her another promotional rate for a one-year service term. The quoted and
13 promised price did not include the additional amount of the U.S. Music Royalty Fee. The agent
14 also did not mention the existence of the U.S. Music Royalty Fee.

15 73. Relying on the representations of the Sirius XM agent, Ms. Woods purchased
16 the music plan subscription.

17 74. Sirius XM has never emailed or mailed Ms. Woods a single monthly billing
18 notice or invoice.

19 75. Each time that Ms. Woods signed up for a Sirius XM music plan, she was
20 relying on Sirius XM's explicit representations regarding the monthly price of the music plan.
21 Ms. Woods did not expect (and she was never told) that Sirius XM would actually charge her
22 an additional music plan charge on top of the advertised and quoted music plan price in the
23 form of a so-called U.S. Music Royalty Fee or that the true price of the music plan would
24 include the additional cost of the U.S. Music Royalty Fee. That information would have been
25 material to her. Had she known that information she would not have been willing to pay as
26 much for her music plans and would have acted differently.

27 76. Ms. Woods has a legal right to rely now, and in the future, on the truthfulness
28 and accuracy of Sirius XM's representations and advertisements regarding its music plan

1 prices. Ms. Woods believes that she was given the services Sirius XM promised her—just not
2 at the prices Sirius XM promised and advertised to her.

3 77. Ms. Woods remains a Sirius XM subscriber as of this filing. Ms. Woods desires
4 to sign up for Sirius XM music plans in the future. However, Ms. Woods wants to be confident
5 that the advertised and quoted price for Sirius XM’s music plans is the true and full price for
6 the plan (i.e., that it includes all applicable discretionary monthly service charges such as the
7 U.S. Music Royalty Fee). And, if Sirius XM introduces any new or invented discretionary
8 monthly service charge (like it did with the U.S. Music Royalty Fee), Ms. Woods wants to be
9 confident that Sirius XM will include the amount of that service charge in the advertised and
10 quoted music plan price. Ms. Woods will be harmed if, in the future, she is left to guess as to
11 whether Sirius XM’s representations are accurate and whether there are omissions of material
12 facts regarding the music plans being advertised and represented to her.

13 78. Ms. Woods first learned of Sirius XM’s U.S. Music Royalty Fee scheme on
14 January 8, 2024, when she saw a legal investigation advertisement on TopClassActions.com
15 discussing the scheme. Prior to reading the advertisement, Ms. Woods did not know or suspect
16 that Sirius XM was secretly adding an additional music plan charge above the quoted rate in the
17 form of the U.S. Music Royalty Fee. Ms. Woods completed and submitted a form on the
18 investigation webpage that same day, January 8, 2024, to learn if she qualified to be part of the
19 legal actions.

20 **Plaintiff Sherry Tapia**

21 79. Plaintiff Sherry Tapia is, and at all relevant times has been, a citizen and resident
22 of the city of Lemon Grove, in San Diego County, California.

23 80. In 2017, Ms. Tapia purchased a car that came with a free Sirius XM music plan
24 trial subscription.

25 81. When her free trial ended, Ms. Tapia called Sirius XM to learn about Sirius
26 XM’s music plans and prices. The Sirius XM agent that Ms. Tapia spoke with offered her a
27 specific promotional price for a one-year music plan subscription. The quoted and promised
28 price did not include the additional amount of the U.S. Music Royalty Fee. The agent also did

1 not mention the existence of the U.S. Music Royalty Fee.

2 82. Relying on the representations of the Sirius XM agent, Ms. Tapia purchased the
3 one-year music plan subscription.

4 83. Within the next year, Ms. Tapia signed up for two additional music plan
5 subscriptions. Her experience signing up for the other two music plan subscriptions was
6 materially the same as when she signed up for her first music plan subscription. In both
7 instances, Ms. Tapia called Sirius XM to learn what promotional offers were available; the
8 agent that she spoke with offered her a specific promotional price for a one-year music plan
9 subscription; the quoted price did not include the additional amount of the U.S. Music Royalty
10 Fee; and the agent also did not mention the existence of the U.S. Music Royalty Fee.

11 84. Up until 2020, whenever one of her one-year music plan subscriptions ended,
12 Ms. Tapia would call Sirius XM to ask for another promotional price for one year. Each time
13 she did this, the agent that she spoke with offered her a specific promotional price for a one-
14 year music plan subscription that did not include the additional amount of the U.S. Music
15 Royalty Fee; and the agent also did not mention the existence of the U.S. Music Royalty Fee.

16 85. In 2020, Ms. Tapia stopped calling Sirius XM to ask for new promotional offers.
17 Instead, Ms. Tapia began using Sirius XM's online chat feature on its website to ask for new
18 promotional offers.

19 86. Ms. Tapia's experience using Sirius XM's online chat feature was materially the
20 same as when she would call Sirius XM. Whenever one of her one-year music plan
21 subscriptions ended, Ms. Tapia would visit Sirius XM's website and contact an online chat
22 agent to ask for another promotional price for one year. Each time she did this, the chat agent
23 that she talked to offered her a specific promotional price for a one-year music plan
24 subscription that did not include the additional amount of the U.S. Music Royalty Fee; and the
25 agent also did not mention the existence of the U.S. Music Royalty Fee.

26 87. In June 2023, when all three of her one-year music plan subscriptions ended,
27 Ms. Tapia switched to monthly subscriptions for all three music plans. Specifically, the online
28 chat agent that she talked to offered her a specific promotional price of \$5.99 a month for Sirius

1 XM's Music & Entertainment music plan for one year. The \$5.99 price for the music plan did
2 not include the additional amount of the U.S. Music Royalty Fee; and the agent also did not
3 mention the existence of the U.S. Music Royalty Fee.

4 88. As of the date of this filing, Ms. Tapia continues to have three monthly music
5 subscription plans.

6 89. Since Ms. Tapia signed up, Sirius XM has never emailed or mailed her a single
7 monthly billing notice or invoice.

8 90. Each time that Ms. Tapia signed up for a Sirius XM music plan, she was relying
9 on Sirius XM's explicit representations regarding the monthly price of the music plan.

10 Ms. Tapia did not expect (and she was never told) that Sirius XM would actually charge her an
11 additional music plan charge on top of the advertised and quoted music plan price in the form
12 of a so-called U.S. Music Royalty Fee or that the true price of the music plan would include the
13 additional cost of the U.S. Music Royalty Fee. That information would have been material to
14 her. Had she known that information she would not have been willing to pay as much for her
15 music plans and would have acted differently.

16 91. Ms. Tapia has a legal right to rely now, and in the future, on the truthfulness and
17 accuracy of Sirius XM's representations and advertisements regarding its music plan prices.
18 Ms. Tapia believes that she was given the services Sirius XM promised her—just not at the
19 prices Sirius XM promised and advertised to her.

20 92. Ms. Tapia remains a Sirius XM subscriber as of this filing. Ms. Tapia desires to
21 sign up for Sirius XM music plans in the future. However, Ms. Tapia wants to be confident that
22 the advertised and quoted price for Sirius XM's music plans is the true and full price for the
23 plan (i.e., that it includes all applicable discretionary monthly service charges such as the U.S.
24 Music Royalty Fee). And, if Sirius XM introduces any new or invented discretionary monthly
25 service charge (like it did with the U.S. Music Royalty Fee), Ms. Tapia wants to be confident
26 that Sirius XM will include the amount of that service charge in the advertised and quoted
27 music plan price. Ms. Tapia will be harmed if, in the future, she is left to guess as to whether
28

1 Sirius XM's representations are accurate and whether there are omissions of material facts
2 regarding the music plans being advertised and represented to her.

3 93. Ms. Tapia first learned of Sirius XM's U.S. Music Royalty Fee scheme on
4 January 4, 2024, when she saw a legal investigation advertisement on TopClassActions.com
5 discussing the scheme. Prior to reading the advertisement, Ms. Tapia did not know or suspect
6 that Sirius XM was secretly adding an additional music plan charge above the quoted rate in the
7 form of the U.S. Music Royalty Fee. Ms. Tapia completed and submitted a form on the
8 investigation webpage that same day, January 4, 2024, to learn if she qualified to be part of the
9 legal actions.

10 **CLASS ALLEGATIONS**

11 94. Plaintiffs Denise Woods and Sherry Tapia bring this lawsuit on behalf of
12 themselves and all others similarly situated, pursuant to Federal Rules of Civil Procedure 23(a),
13 (b)(2), and (b)(3).

14 95. **Class Definition:** Plaintiffs seek to represent the following Class:

15 **All current and former Sirius XM subscribers in California who**
16 **signed up for a music plan on the phone with Sirius XM, and who**
17 **paid a "U.S. Music Royalty Fee" within the applicable statute of**
limitations.

18 96. Specifically excluded from the Class are Sirius XM and any entities in which
19 Sirius XM has a controlling interest, Sirius XM's agents and employees, the bench officers to
20 whom this civil action is assigned, and the members of each bench officer's staff and
21 immediate family.

22 97. **Application of the Discovery Rule.** This Court should apply the discovery rule
23 to extend any applicable limitations period and corresponding class period to the date on which
24 Sirius XM first began charging the U.S. Music Royalty Fee—which, based on the investigation
25 of Plaintiffs' counsel, is in 2009. Plaintiffs and the Class could not have, with the exercise of
26 reasonable diligence, learned of the accrual of their claims against Sirius XM at an earlier time
27 because the nature of Sirius XM's misconduct was non-obvious and intentionally concealed, as
28 described throughout the Complaint and reiterated below.

1 98. First, none of Sirius XM’s advertisements for its music plans names or mentions
2 the existence of the U.S. Music Royalty Fee or its amount—not even in the fine print.

3 Likewise, none of Sirius XM’s advertisements states the true music plan price after adding the
4 amount of the U.S. Music Royalty Fee. Reasonable consumers who viewed Sirius XM’s
5 advertisements would not know or suspect that Sirius XM’s music plans were subject to a
6 hidden double-charge for the music plan itself in the form of the U.S. Music Royalty Fee.

7 99. Second, Sirius XM does not disclose the U.S. Music Royalty Fee or its amount
8 to subscribers when they sign up for music plans, as described in detail above at ¶¶ 32–54.
9 Reasonable consumers would justifiably rely on Sirius XM’s explicit representations regarding
10 the monthly prices of its music plans, and would reasonably believe that any extra charges
11 would only come from legitimate government fees or taxes.

12 100. Notably, none of Sirius XM’s competitors charge any separate royalty fee over
13 and above their advertised music plan prices. Indeed, reasonable consumers would expect that
14 the advertised price for Sirius XM’s music plans would include the fundamental costs of
15 obtaining the permissions necessary to provide the music content that Sirius XM has promised
16 is included in those plans.

17 101. Reasonable consumers would have no reason to suspect that Sirius XM was
18 actually charging them a hidden and disguised double-charge for the music plans in the form of
19 the U.S. Music Royalty Fee.

20 102. Third, Sirius XM has implemented policies and practices which prevent its
21 subscribers from noticing that they are being charged the Fee or from discovering its true
22 nature. Sirius XM signs up subscribers for automatic renewal by default. Once consumers have
23 been lured to sign up, Sirius XM prevents them from learning about its scheme by never
24 thereafter sending them monthly or ongoing billing notices or invoices. All the while, Sirius
25 XM silently and automatically renews their subscriptions month after month and year after
26 year.

1 103. Meanwhile, if the subscriber were to log into his or her customer account on the
2 Sirius XM website, the default view shows only the total amount due and does not list, let alone
3 explain, the U.S. Music Royalty Fee.

4 104. Sirius XM also intentionally chose a name for the Fee that suggests it is a
5 government fee. Sirius XM calls it a “U.S.” fee to falsely indicate to consumers (i.e., to those
6 few subscribers who learn about its existence) that it is government mandated or a government
7 pass-through fee.

8 105. Fourth, in the event that a subscriber happens to notice that the U.S. Music
9 Royalty Fee has been charged and contacts Sirius XM to inquire about the Fee, Sirius XM
10 agents outright falsely tell subscribers that the Fee is “government mandated” or is a
11 government pass-through fee, as documented above at ¶¶ 63–65. A reasonable consumer would
12 take Sirius XM at its word and believe that the U.S. Music Royalty Fee was a government-
13 related fee. Thus, a reasonable consumer would not discover the true nature of the Fee or
14 discover Sirius XM’s deceptive pricing scheme even if they somehow learned of its existence
15 (however, the vast majority of subscribers never notice the existence of the Fee at all).

16 106. **Numerosity.** The number of members of the Class are so numerous that joinder
17 of all members would be impracticable. Plaintiffs do not know the exact number of Class
18 members prior to discovery. However, based on information and belief, the Class comprises
19 millions of individuals. The exact number and identities of Class members are contained in
20 Sirius XM’s records and can be easily ascertained from those records.

21 107. **Commonality and Predominance.** This action involves multiple common legal
22 or factual questions which are capable of generating class-wide answers that will drive the
23 resolution of this case. These common questions predominate over any questions affecting
24 individual Class members, if any. These common questions include, but are not limited to, the
25 following:

26 a. Whether Sirius XM employed a uniform policy of charging the U.S.
27 Music Royalty Fee to Plaintiffs and Class members who subscribed to its music plans;
28

1 b. Whether Sirius XM’s policy and practice of advertising and quoting the
2 prices of its music plans without the amount of the U.S. Music Royalty Fee is false, deceptive,
3 or misleading;

4 c. Why did Sirius XM not include the amounts of the U.S. Music Royalty
5 Fee in the advertised and quoted prices for its music plans;

6 d. Whether Sirius XM adequately and accurately disclosed the existence of
7 the U.S. Music Royalty Fee, its nature or basis, or its amount, to Plaintiffs and Class members;

8 e. What is the nature or purpose of the U.S. Music Royalty Fee;

9 f. Whether it was deceptive, misleading, and/or false for Sirius XM to put
10 “U.S.” in the beginning of the name of the U.S. Music Royalty Fee;

11 g. Whether the true prices of Sirius XM’s music plans, and of the U.S.
12 Music Royalty Fee, are material information, such that a reasonable consumer would find that
13 information important to the consumer’s purchase decision;

14 h. Whether Sirius XM has a policy and practice of signing up subscribers
15 for automatic renewal, but never thereafter sending the subscriber any monthly or ongoing
16 billing notices or invoices;

17 i. Whether Sirius XM has a policy of intentionally preventing subscribers
18 from noticing that they are being charged the Fee, including, but not limited to, Sirius XM’s
19 practice of signing up subscribers for automatic renewal but then never thereafter sending the
20 subscriber any monthly or ongoing billing notices or invoices;

21 j. Whether Sirius XM has a practice of falsely telling subscribers who
22 notice and inquire about the U.S. Music Royalty Fee that it is “government mandated” or is a
23 government pass-through fee; and

24 k. Whether Sirius XM’s misrepresentations and misconduct alleged herein
25 violate California Civil Code § 1750 *et seq.* (CLRA), California Business & Professions Code §
26 17500 *et seq.* (FAL), and California Business & Professions Code § 17200 *et seq.* (UCL).

27 108. **Typicality.** Plaintiffs’ claims are typical of Class members’ claims. Plaintiffs
28 and Class members all sustained injury as a direct result of Sirius XM’s standard practices and

1 schemes, bring the same claims, and face the same potential defenses.

2 109. **Adequacy.** Plaintiffs and their counsel will fairly and adequately protect Class
3 members' interests. Plaintiffs have no interests antagonistic to Class members' interests and are
4 committed to representing the best interests of the Class members. Moreover, Plaintiffs have
5 retained counsel with considerable experience and success in prosecuting complex class action
6 and consumer protection cases.

7 110. **Superiority.** A class action is superior to all other available methods for fairly
8 and efficiently adjudicating this controversy. Each Class member's interests are small
9 compared to the burden and expense required to litigate each of his or her claims individually,
10 so it would be impractical and would not make economic sense for Class members to seek
11 individual redress for Sirius XM's conduct. Individual litigation would add administrative
12 burden on the courts, increasing the delay and expense to all parties and to the court system.
13 Individual litigation would also create the potential for inconsistent or contradictory judgments
14 regarding the same uniform conduct. A single adjudication would create economies of scale
15 and comprehensive supervision by a single judge. Moreover, Plaintiffs do not anticipate any
16 difficulties in managing a class action trial.

17 111. By its conduct and omissions alleged herein, Sirius XM has acted and refused to
18 act on grounds that apply generally to the Class members, such that declaratory relief is
19 appropriate respecting the Class as a whole.

20 112. Sirius XM is primarily engaged in the business of selling services. Each cause of
21 action brought by Plaintiffs against Sirius XM in this Complaint arises from and is limited to
22 statements or conduct by Sirius XM that consist of representations of fact about Sirius XM's
23 business operations or services that are or were made for the purpose of obtaining approval for,
24 promoting, or securing sales of or commercial transactions in, Sirius XM's services or the
25 statements are or were made in the course of delivering Sirius XM's services. Each cause of
26 action brought by Plaintiffs against Sirius XM in this Complaint arises from and is limited to
27 statements or conduct by Sirius XM for which the intended audience is an actual or potential
28 customer or subscriber, or a person likely to repeat the statements to, or otherwise influence, an

1 actual or potential customer or subscriber.

2 **CAUSES OF ACTION**

3 **FIRST CAUSE OF ACTION**

4 **Violation of the Consumers Legal Remedies Act (“CLRA”)
California Civil Code § 1750 *et seq.***

5 113. Plaintiffs Denise Woods and Sherry Tapia reallege and incorporate by reference
6 all paragraphs previously alleged herein.

7 114. Each Plaintiff brings this claim in her individual capacity, in her capacity as a
8 private attorney general seeking the imposition of public injunctive relief to protect the general
9 public, and as a representative of the Class.

10 115. Defendant is a “person,” as defined by Cal. Civ. Code § 1761(c).

11 116. Plaintiffs and Class members are each “consumers,” as defined by Cal. Civ.
12 Code §1761(d).

13 117. Sirius XM’s music plans are “services,” as defined by Cal. Civ. Code § 1761(b).

14 118. The purchase of a Sirius XM music plan by Plaintiffs and Class members is a
15 “transaction,” as defined by Cal. Civ. Code § 1761(e).

16 119. Plaintiffs and Class members purchased Sirius XM’s music plans for personal,
17 family, and/or household purposes, as meant by Cal. Civ. Code § 1761(d).

18 120. Venue is proper under Cal. Civil Code § 1780(d) because a substantial portion
19 of the transactions at issue occurred in Contra Costa County. Plaintiffs’ declarations
20 establishing that this Court is a proper venue for this action are attached hereto as **Exhibit A.**

21 121. By its conduct and omissions alleged herein, Sirius XM has committed unlawful
22 methods, acts or practices, including without limitation by:

23 a. Misrepresenting the prices of Sirius XM’s music plans and concealing
24 the true prices of its music plans, including by advertising or quoting prices that did not include
25 the U.S. Music Royalty Fee;

26 b. Failing to disclose the Fee—or to even mention the words “U.S. Music
27 Royalty Fee”—in any Sirius XM advertising, including in the fine print;
28

- 1 c. Failing to disclose or adequately disclose the existence, nature, and
2 amount of the U.S. Music Royalty Fee when consumers signed up for Sirius XM’s music plans;
3 d. Failing to ever adequately or accurately disclose the existence and nature
4 of the U.S. Music Royalty Fee to its subscribers;
5 e. Failing to disclose and misrepresenting the nature of the U.S. Music
6 Royalty Fee by disguising it as “Fees and Taxes”;
7 f. Signing up customers for automatic renewal by default but never
8 thereafter sending the customer any monthly or ongoing billing notices or invoices, thereby
9 further preventing its subscribers from discovering the U.S. Music Royalty Fee scheme;
10 g. Putting “U.S.” in the beginning of the name of the U.S. Music Royalty
11 Fee to falsely indicate to consumers that it is a government-related fee; and
12 h. Falsely stating to subscribers who discovered and inquired about the U.S.
13 Music Royalty Fee that it is “government mandated” or is a government pass-through fee.

14 122. The unlawful methods, acts or practices alleged herein to have been undertaken
15 by Sirius XM were all committed intentionally and knowingly. The unlawful methods, acts or
16 practices alleged herein to have been undertaken by Sirius XM did not result from a bona fide
17 error notwithstanding the use of reasonable procedures adopted to avoid such error.

18 123. Sirius XM’s conduct alleged herein has violated the CLRA in multiple respects,
19 including, but not limited to, the following:

- 20 a. Sirius XM represented that its music plans had characteristics that they
21 did not have. (Cal. Civ. Code § 1770(a)(5));
22 b. Sirius XM advertised its music plans with an intent not to sell them as
23 advertised. (Cal. Civ. Code § 1770(a)(9));
24 c. Sirius XM made false or misleading statements of fact concerning
25 reasons for, existence of, or amounts of, price reductions (Cal. Civ. Code § 1770(a)(13));
26 d. Sirius XM misrepresented that its music plans were supplied in
27 accordance with previous representations when they were not. (Cal. Civ. Code § 1770(a)(16));
28 and

1 e. Sirius XM advertised, displayed, and offered a price for its music plans
2 that did not include all mandatory fees or charges other than taxes or fees imposed by a
3 government on the transaction. (Cal. Civ. Code § 1770(a)(29)).

4 124. With respect to any omissions, Sirius XM at all relevant times had a duty to
5 disclose the information in question because, inter alia: (a) Sirius XM had exclusive knowledge
6 of material information that was not known to Plaintiffs and Class members; (b) Sirius XM
7 concealed material information from Plaintiffs and Class members; and (c) Sirius XM made
8 partial representations, including regarding the supposed price of its music plans, which were
9 false and misleading absent the omitted information.

10 125. Sirius XM's misrepresentations deceive and have a tendency to deceive the
11 general public.

12 126. Sirius XM's misrepresentations are material, in that a reasonable person would
13 attach importance to the information and would be induced to act on the information in making
14 purchase decisions.

15 127. Plaintiffs and Class members reasonably relied on Sirius XM's material
16 misrepresentations, and would not have purchased, or would have paid less money for, Sirius
17 XM's music plans had they known the truth.

18 128. By its conduct and omissions alleged herein, Sirius XM caused the demand for
19 its music plans to be artificially increased and caused all subscribers of those plans, including
20 Plaintiffs and Class members, to pay premiums to Sirius XM.

21 129. As a direct and proximate result of Sirius XM's violations of the CLRA,
22 Plaintiffs and Class members have been harmed and lost money or property in the amount of
23 the U.S. Music Royalty Fees they were charged and paid.

24 130. Sirius XM's conduct has caused substantial injury to Plaintiffs, Class members,
25 and the general public.

26 131. Plaintiffs lack an adequate remedy at law to prevent Sirius XM's continued
27 unlawful practices. Plaintiffs will be harmed in the future by their inability to rely on the
28 truthfulness and accuracy of Sirius XM's representations and advertisements regarding its

1 music plan prices. Plaintiffs desire and intend to sign up for different Sirius XM music plans
2 and/or to sign up for another promotional period in the future. However, Plaintiffs want to be
3 confident that the advertised and quoted price for Sirius XM's music plans is the true and full
4 price for the plan (i.e., that it includes all applicable discretionary service charges). And, if
5 Sirius XM introduces any new discretionary service charge, Plaintiffs want to be confident that
6 Sirius XM will include the amount of that service charge in the advertised and quoted music
7 plan price. Plaintiffs will be harmed if, in the future, they are left to guess as to whether Sirius
8 XM's representations are accurate and whether there are omissions of material facts regarding
9 the music plans being advertised and represented to them.

10 132. Monetary damages are not an adequate remedy at law for future harm. *Clark v.*
11 *Eddie Bauer LLC*, No. 21-35334, 2024 WL 177755, at *3 (9th Cir. Jan. 17, 2024). Monetary
12 damages are inadequate for future harm for the following reasons, without limitation: First,
13 damages are not an adequate remedy for future harm because they will not prevent Sirius XM
14 from continuing its unlawful conduct. Second, damages for future harm cannot be calculated
15 with certainty and thus cannot be awarded. For example, it is impossible to know: (1) what
16 music plan(s) Plaintiffs may want or need in the future; (2) what Sirius XM's future U.S. Music
17 Royalty Fees will be (given that the Fee is calculated as a percentage of the quoted music plan
18 price, and given that Sirius XM has increased the percentage rate of the Fee over time); or (3)
19 how many months Plaintiffs would continue to subscribe to Sirius XM's services. Because
20 these factors are unknown, damages are impossible to calculate and cannot be awarded for
21 future harm. Third, injunctive relief is necessary (and monetary damages do not provide a
22 plain, adequate and complete remedy) because, without forward-looking injunctive relief
23 enjoining the unlawful practices, the courts would be flooded with future lawsuits by the
24 general public, Class members, and Plaintiffs for future violations of the law by Sirius XM.

25 133. Plaintiffs, on behalf of themselves and as private attorneys general, seek
26 **public injunctive relief** under the CLRA to protect the general public from Sirius XM's false
27 advertisements, misrepresentations, and omissions. Specifically, Plaintiffs seek a permanent
28 public injunction against Sirius XM under the CLRA as follows: **(1)** enjoin Sirius XM from

1 falsely advertising the prices of its music plans to members of the general public; (2) enjoin
2 Sirius XM from advertising or quoting a music plan price to members of the general public if
3 that price does not include all applicable discretionary service charges (such as the U.S. Music
4 Royalty Fee); and (3) enjoin Sirius XM from representing to members of the public that the
5 U.S. Music Royalty Fee is a “government mandated” charge, a pass-through government
6 charge, a charge imposed to recover costs billed to Sirius XM by the government, a tax, or a
7 charge over which Sirius XM has no control.

8 134. Sirius XM’s misconduct which affects the general public is ongoing in part or in
9 whole and even if such conduct were to cease, it is behavior that is capable of repetition or re-
10 occurrence by Sirius XM absent a permanent injunction. Accordingly, Plaintiffs seek an order
11 enjoining Sirius XM from committing these practices which harm the general public.

12 135. In accordance with California Civil Code § 1782(a), Plaintiffs, through counsel,
13 served Sirius XM with notice of its CLRA violations by USPS certified mail and via FedEx on
14 January 20, 2024, which was received by Sirius XM on January 23, 2024. Additionally, the
15 notice was emailed to Sirius XM’s counsel on January 20, 2024.

16 136. The notice was sent on behalf of a group of clients including Plaintiffs Denise
17 Woods and Sherry Tapia, and the notice stated it was also for the benefit of a class of similarly
18 situated California consumers. The letter demanded that Sirius XM: “(1) return all the money
19 that Sirius XM California subscribers have paid in U.S. Music Royalty Fees; and (2) stop
20 advertising and promising to consumers a particular price for its music plans, when in fact
21 Sirius XM intends to charge a higher price by charging additional discretionary service charges
22 such as the U.S. Music Royalty Fee.”

23 137. Sirius XM failed to give, or to agree to give within a reasonable time, an
24 appropriate correction, repair, replacement, or other remedy for its CLRA violations within 30
25 days of its receipt of the CLRA demand notice. Indeed, Sirius XM made no response
26 whatsoever to the CLRA demand notice. Accordingly, pursuant to Sections 1780 and 1782(b)
27 of the CLRA, Plaintiffs and the Class are entitled to recover compensatory and exemplary
28 damages, attorneys’ fees and costs, and any other relief the Court deems proper for Sirius XM’s

1 CLRA violations.

2 **SECOND CAUSE OF ACTION**
3 **Violation of California's False Advertising Law ("FAL")**
4 **California Business & Professions Code § 17500 *et seq.***

5 138. Plaintiffs reallege and incorporate by reference all paragraphs previously alleged
6 herein.

7 139. Each Plaintiff brings this claim in her individual capacity, in her capacity as a
8 private attorney general seeking the imposition of public injunctive relief, and as a
9 representative of the Class.

10 140. By its conduct and omissions alleged herein, Sirius XM has committed acts of
11 untrue or misleading advertising, as defined by and in violation of California Business &
12 Professions Code § 17500, *et seq.*, also known as California's False Advertising Law ("FAL").
13 These acts include but are not limited to:

14 a. Misrepresenting the prices of Sirius XM's music plans and concealing
15 the true prices of its music plans in its advertising;

16 b. Misrepresenting the prices of Sirius XM's music plans by advertising or
17 quoting prices that did not include the U.S. Music Royalty Fee;

18 c. Failing to disclose or adequately disclose the existence, amount, or
19 nature of the U.S. Music Royalty Fee; and

20 d. Misrepresenting to members of the public that Sirius XM's own
21 discretionary service charges are taxes, government or regulatory fees, "government
22 mandated," government pass-through fees, charges imposed to recover costs billed to Sirius
23 XM by the government, or charges over which Sirius XM has no control.

24 141. With respect to omissions, Sirius XM at all relevant times had a duty to disclose
25 the information in question because, inter alia: (a) Sirius XM had exclusive knowledge of
26 material information that was not known to Plaintiffs and Class members; (b) Sirius XM
27 concealed material information from Plaintiffs and Class members; and (c) Sirius XM made
28 partial representations, including regarding the supposed prices of its music plans, which were
false or misleading absent the omitted information.

1 142. Sirius XM committed such violations of the FAL with actual knowledge that its
2 advertising was untrue or misleading, or Sirius XM, in the exercise of reasonable care, should
3 have known that its advertising was untrue or misleading.

4 143. Sirius XM's misrepresentations and nondisclosures deceive and have a tendency
5 to deceive the general public.

6 144. Sirius XM's misrepresentations and nondisclosures are material, in that a
7 reasonable person would attach importance to the information and would be induced to act on
8 the information in making purchase decisions.

9 145. Plaintiffs and Class members reasonably relied on Sirius XM's material
10 misrepresentations and nondisclosures, and would not have purchased, or would have paid less
11 money for, Sirius XM's music plans had they known the truth.

12 146. By its conduct and omissions alleged herein, Sirius XM received more money
13 from Plaintiffs and Class members than it should have received, in the form of U.S. Music
14 Royalty Fees, and that money is subject to restitution.

15 147. By its conduct and omissions alleged herein, Sirius XM caused the demand for
16 its music plans to be artificially increased and caused all subscribers of those plans, including
17 Plaintiffs and Class members, to pay premiums to Sirius XM.

18 148. As a direct and proximate result of Sirius XM's violations of the FAL, Plaintiffs
19 and Class members lost money.

20 149. Plaintiffs lack an adequate remedy at law to prevent Sirius XM's continued
21 unlawful practices, as previously discussed in ¶ 131 above.

22 150. Monetary damages are not an adequate remedy at law for future harm, as
23 previously discussed in ¶ 132 above.

24 151. Plaintiffs, on behalf of themselves and as private attorneys general, seek
25 **public injunctive relief** under the FAL to protect the general public from Sirius XM's false
26 advertisements, misrepresentations, and omissions. Specifically, Plaintiffs seek a permanent
27 public injunction against Sirius XM under the FAL as follows: **(1)** enjoin Sirius XM from
28 falsely advertising the prices of its music plans to members of the general public; **(2)** enjoin

1 Sirius XM from advertising or quoting a music plan price to members of the general public if
2 that price does not include all applicable discretionary service charges (such as the U.S. Music
3 Royalty Fee); and (3) enjoin Sirius XM from representing to members of the public that the
4 U.S. Music Royalty Fee is a “government mandated” charge, a pass-through government
5 charge, a charge imposed to recover costs billed to Sirius XM by the government, a tax, or a
6 charge over which Sirius XM has no control.

7 152. Sirius XM’s false advertising which affects the general public is ongoing in part
8 or in whole and even if such conduct were to cease, it is behavior that is capable of repetition or
9 re-occurrence by Sirius XM absent a permanent injunction. Accordingly, Plaintiffs seek an
10 order enjoining Sirius XM from committing these practices which harm the general public.

11 153. Plaintiffs seek an order granting restitution to Plaintiffs and Class members in an
12 amount to be proven at trial. Plaintiffs further seek an award of attorneys’ fees and costs under
13 Cal. Code Civ. Proc. § 1021.5.

14 **THIRD CAUSE OF ACTION**
15 **Violation of California’s Unfair Competition Law (“UCL”)**
16 **California Business & Professions Code § 17200 *et seq.***

17 154. Plaintiffs reallege and incorporate by reference all paragraphs previously alleged
18 herein.

19 155. Each Plaintiff brings this claim in her individual capacity, in her capacity as a
20 private attorney general seeking the imposition of public injunctive relief, and as a
21 representative of the Class.

22 156. California Business & Professions Code § 17200, *et seq.*, also known as
23 California’s Unfair Competition Law (“UCL”), prohibits any unfair, unlawful, or fraudulent
24 business practice.

25 157. **“Unlawful” Prong.** Sirius XM has violated the UCL by engaging in the
26 following unlawful business acts and practices:

27 a. Making material misrepresentations in violation of Cal. Civ. Code
28 §§ 1770(a)(5), (9), (13), and (16) (the CLRA);

b. Advertising, displaying, and offering a price for its music plans that did

not include all mandatory fees or charges other than taxes or fees imposed by a government on the transaction, in violation of Cal. Civ. Code § 1770(a)(29) (the CLRA);

c. Making material misrepresentations and omissions in violation of Cal. Bus. & Prof. Code § 17500 *et seq.* (the FAL); and

d. Engaging in deceit in violation of Cal Civ. Code §§ 1709–1710.

158. **“Unfair” and “Fraudulent” Prongs.** Sirius XM has violated the UCL by engaging in the following unfair and fraudulent business acts and practices:

a. Misrepresenting the prices of Sirius XM’s music plans and concealing the true prices of its music plans, including by advertising or quoting prices that did not include the U.S. Music Royalty Fee;

b. Failing to disclose the Fee—or to even mention the words “U.S. Music Royalty Fee”—in any Sirius XM advertising, including in the fine print;

c. Failing to disclose or adequately disclose the existence, nature, and amount of the U.S. Music Royalty Fee when consumers signed up for Sirius XM’s music plans;

d. Failing to ever adequately or accurately disclose the existence and nature of the U.S. Music Royalty Fee to its subscribers;

e. Failing to disclose and misrepresenting the nature of the U.S. Music Royalty Fee by disguising it as “Fees and Taxes”;

f. Signing up customers for automatic renewal by default but never thereafter sending the customer any monthly or ongoing billing notices or invoices, thereby further preventing its subscribers from discovering the U.S. Music Royalty Fee scheme;

g. Putting “U.S.” in the beginning of the name of the U.S. Music Royalty Fee to falsely indicate to consumers that it is a government-related fee; and

h. Falsely stating to subscribers who discovered and inquired about the U.S. Music Royalty Fee that it is “government mandated” or is a government pass-through fee.

159. With respect to omissions, Sirius XM at all relevant times had a duty to disclose the information in question because, inter alia: (a) Sirius XM had exclusive knowledge of material information that was not known to Plaintiffs and Class members; (b) Sirius XM

1 concealed material information from Plaintiffs and Class members; and (c) Sirius XM made
2 partial representations, including regarding the supposed prices of its music plans, which were
3 false and misleading absent the omitted information.

4 160. Sirius XM's misrepresentations and nondisclosures deceive and have a tendency
5 to deceive the general public.

6 161. Sirius XM's misrepresentations and nondisclosures are material, in that a
7 reasonable person would attach importance to the information and would be induced to act on
8 the information in making purchase decisions.

9 162. Plaintiffs and members of the Class reasonably relied on Sirius XM's material
10 misrepresentations and nondisclosures, and would not have purchased, or would have paid less
11 money for, Sirius XM's music plans had they known the truth.

12 163. By its conduct and omissions alleged herein, Sirius XM received more money
13 from Plaintiffs and Class members than it should have received, including the U.S. Music
14 Royalty Fees that Sirius XM charged them on top of the advertised or quoted price for the
15 music plans, and that money is subject to restitution.

16 164. By its conduct and omissions alleged herein, Sirius XM caused the demand for
17 its music plans to be artificially increased and caused all subscribers of those plans, including
18 Plaintiffs and Class members, to pay premiums to Sirius XM.

19 165. As a direct and proximate result of Sirius XM's unlawful, unfair, and fraudulent
20 conduct, Plaintiffs and Class members lost money.

21 166. Sirius XM's conduct and omissions alleged herein are immoral, unethical,
22 oppressive, unscrupulous, unconscionable, and/or substantially injurious to Plaintiffs and Class
23 members. Perpetrating a years-long scheme of misleading and overcharging customers is
24 immoral, unethical, and unscrupulous. Moreover, Sirius XM's conduct is oppressive and
25 substantially injurious to consumers. By its conduct alleged herein, Sirius XM has improperly
26 extracted hundreds of millions of dollars from California consumers. There is no utility to
27 Sirius XM's conduct, and even if there were any utility, it would be significantly outweighed
28 by the gravity of the harm to consumers caused by Sirius XM's conduct alleged herein.

1 167. Plaintiffs lack an adequate remedy at law to prevent Sirius XM’s continued
2 unlawful practices, as previously discussed in ¶ 131 above.

3 168. Monetary damages are not an adequate remedy at law for future harm, as
4 previously discussed in ¶ 132 above.

5 169. Plaintiffs, on behalf of themselves and as private attorneys general, seek
6 **public injunctive relief** under the UCL to protect the general public from Sirius XM’s false
7 advertisements, misrepresentations, and omissions. Specifically, Plaintiffs seek a permanent
8 public injunction against Sirius XM under the UCL as follows: **(1)** enjoin Sirius XM from
9 falsely advertising the prices of its music plans to members of the general public; **(2)** enjoin
10 Sirius XM from advertising or quoting a music plan price to members of the general public if
11 that price does not include all applicable discretionary service charges (such as the U.S. Music
12 Royalty Fee); and **(3)** enjoin Sirius XM from representing to members of the public that the
13 U.S. Music Royalty Fee is a “government mandated” charge, a pass-through government
14 charge, a charge imposed to recover costs billed to Sirius XM by the government, a tax, or a
15 charge over which Sirius XM has no control.

16 170. Sirius XM’s misconduct which affects the general public is ongoing in part or in
17 whole and even if such conduct were to cease, it is behavior that is capable of repetition or re-
18 occurrence by Sirius XM absent a permanent injunction. Accordingly, Plaintiffs seek an order
19 enjoining Sirius XM from committing these practices which harm the general public.

20 171. Plaintiffs seek an order granting restitution to Plaintiffs and Class members in an
21 amount to be proven at trial. Plaintiffs further seek an award of attorneys’ fees and costs under
22 Cal. Code Civ. Proc. § 1021.5.

1 **PRAYER FOR RELIEF**

2 **Public Injunctive Relief:**

3 A. In order to prevent injury to the general public, Plaintiffs individually, and as
4 private attorneys general, request that the Court enter a public injunction against Sirius XM
5 under the CLRA, FAL, and UCL as follows:

6 1. Permanently enjoin Sirius XM from falsely advertising the prices of its
7 music plans and from concealing the true prices of its music plans in its advertising;

8 2. Permanently enjoin Sirius XM from advertising or quoting a music plan
9 price to members of the general public if that price does not include the amount of the U.S.
10 Music Royalty Fee;

11 3. Permanently enjoin Sirius XM from advertising or quoting a music plan
12 price to members of the general public if that price does not include all applicable discretionary
13 service charges;

14 4. Permanently enjoin Sirius XM, including Sirius XM's sales agents, from
15 representing or stating to members of the general public that the U.S. Music Royalty Fee is any
16 of the following: (a) a "government mandated" fee; (b) a government pass-through fee; (c) a
17 charge imposed to recover costs billed to Sirius XM by the government; (d) a tax; or (e) a
18 charge over which Sirius XM has no control; and

19 5. Retain jurisdiction to monitor Sirius XM's compliance with the
20 permanent public injunctive relief requested hereinabove.

21 **Individual And Class Relief:**

22 B. On behalf of themselves and the proposed Class, Plaintiffs request that the Court
23 order relief and enter judgment against Sirius XM as follows:

24 1. Declare this action to be a proper class action, certify the proposed Class,
25 and appoint Plaintiffs and their counsel to represent the Class;

26 2. Order that the discovery rule applies to extend any applicable limitations
27 period and the corresponding class period for the Class to the date on which Sirius XM first
28 began charging the U.S. Music Royalty Fee (which, based on the investigation of Plaintiffs'

counsel, is 2009);

3. Declare that Sirius XM's conduct alleged herein violates the CLRA, FAL, and UCL;

4. Order disgorgement and/or restitution, including, without limitation, disgorgement of all revenues, profits and/or unjust enrichment that Sirius XM obtained, directly or indirectly, from Plaintiffs and Class members as a result of the unlawful conduct alleged herein;

5. Order Sirius XM to pay damages to Plaintiffs and Class members in the amount they paid in U.S. Music Royalty Fees; and

6. Order Sirius XM to pay exemplary and/or punitive damages.

Other Relief:

C. On behalf of themselves and the proposed Class, and in their capacities as private attorneys general, Plaintiffs request that the Court order relief as follows:

1. Order Sirius XM to pay attorneys' fees, costs, and pre-judgment and post-judgment interest to the extent allowed by law; and

2. Grant such other relief as this Court deems just and proper.

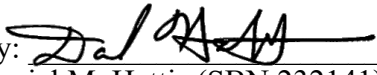
DEMAND FOR JURY TRIAL

Plaintiffs, individually, as private attorneys general to protect the general public, and as class representatives on behalf of all others similarly situated, demand a trial by jury on all issues so triable.

Date: June 25, 2024.

Presented by:

HATTIS & LUKACS

By: 
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